

United States Senate

WASHINGTON, DC 20510

July 21, 2021

Michael W. Choe
Managing Director and CEO
Charlesbank Capital Partners, LLC
200 Clarendon Street, 54th Floor
Boston, MA 02116

Dear Mr. Choe:

I write to bring your attention to the anti-union practices of two of Charlesbank's portfolio companies, Hearthside Food Solutions (which acquired the Consolidated Biscuit Company) in McComb, Ohio, and Blues City Brewery in Memphis, Tennessee.

Since 2002, over 1,000 workers at Consolidated Biscuit Company have tried to form a union with the Bakery, Confectionery, Tobacco Workers and Grain Millers International Union (BCTGM), only to encounter systematic anti-union interference from company management, in violation of section 8(a)(1) and (3) of the National Labor Relations Act, 29 U.S.C. § 158(a)(1) and (a)(3).¹ Over the course of three elections, workers have reported that the company used a series of strategies to suppress efforts by workers to increase their collective voice. These strategies include: captive audience meetings, use of anti-union "consultants," legal delays, surveillance, harassment, threats of plant closures, and firing of employees involved in the organizing campaigns. In the lead-up to the most recent December 2020 union election, workers reported that the company forced them to attend mandatory anti-union meetings and threatened some with termination for supporting the union. Hispanic employees were racially targeted and collectively threatened with deportation.

Meanwhile, in 2020, workers at another of your portfolio companies – Blues City Brewery in Memphis, Tennessee – successfully formed a union with BCTGM. Since then, the company has engaged in subsequent and ongoing efforts to undermine that victory and deny the workers their rights and a first contract.

This week, a constituent of mine, Gracie Heldman – an employee of Hearthside Food Solutions/Consolidated Biscuit Company – is set to testify at a Senate Health, Education, Labor, and Pension Committee hearing about her experience dealing with these anti-union tactics. At the hearing, Ms. Heldman will discuss her experiences and voice her support for Committee Chair Patty Murray's legislation, *Protecting the Right to Organize (PRO) Act* (S. 420).

Under the *PRO Act*, the National Labor Relations Board (NLRB) would have the ability and resources to counter illegal, anti-union tactics and become an empowered force for workers and

¹ See *N.L.R.B. v. Consolidated Biscuit Co.*, 301 F. App'x 411 (6th Cir. 2008) (affirming the NLRB's finding that Consolidated Biscuit Company violated the National Labor Relations Act).

the right to collectively bargain. The board will have new authority to require employers to come to the bargaining table when unfair labor practices taint election results. It will be able to order full remedies for workers when employers retaliate against them for exercising their right to organize a union. And, it will be able to expedite the process of scheduling an election to end employer delay tactics as well as opportunities for anti-union activities.

We have the chance to renew the promise of American economic opportunity by increasing both workers' standards of living and our nation's innovation and productivity. To do that, companies must move away from a dated approach to labor relations that views worker success as standing in the way of company success, instead of contributing to it. Companies that thrive in the 21st century will be those that treat their workers with dignity, invest in them, and work collaboratively with unions.

To that end, I ask that you provide answers to the following questions:

1. Was Charlesbank aware of the Sixth Circuit's decision affirming the NLRB's finding that Consolidated Biscuit Company repeatedly violated the National Labor Relations Act prior to its acquisition of Hearthside Food Solutions?
2. What steps will you take to ensure that workers' voices are heard going forward, including at Hearthside Food Solutions and at Blues City Brewery, now that its workers have formed a union?

I recognize that it may not have been Charlesbank's intention to acquire companies that actively engage in anti-union behavior. Now that you manage these companies under your portfolio, however, I ask that you urge your portfolio companies to take actions consistent with the *PRO Act* and remain neutral toward union organizing activities, both during majority sign-up campaigns and after a union has formed.

I appreciate you taking the time to review this letter, and I look forward to your response.

Sincerely,



Sherrod Brown
United States Senator